

**STATE RISK MANAGEMENT FUND**  
**INVESTMENT PERFORMANCE REPORT AS OF FEBRUARY 29, 2008**

	February-08				January-08				December-07				September-07				Current FYTD	Prior Year FY07	3 Years Ended 6/30/2007	5 Years Ended 6/30/2007
	Allocation		Month	Net ROR	Allocation		Month	Net ROR	Allocation		Quarter	Net ROR	Allocation		Quarter	Net				
Market Value	Actual	Policy			Market Value	Actual	Policy			Market Value	Actual		Policy		Market Value		Actual	Policy		
LARGE CAP DOMESTIC EQUITY																				
Structured Growth																				
Los Angeles Capital	112,439	3.1%	3.4%	-0.15%	112,650	3.0%	3.4%	-9.31%	119,624	3.2%	3.4%	-1.50%	127,501	3.4%	3.4%	0.38%	-10.46%	21.84%	13.35%	N/A
Total Structured Growth	112,439	3.1%	3.4%	-0.15%	112,650	3.0%	3.4%	-9.31%	119,624	3.2%	3.4%	-1.50%	127,501	3.4%	3.4%	0.38%	-10.46%	21.84%	13.35%	10.94%
Russell 1000 Growth				-1.99%				-7.80%				-0.77%				4.21%	-6.55%	19.04%	8.70%	9.28%
Structured Value																				
LSV	112,171	3.0%	3.4%	-3.99%	116,918	3.1%	3.4%	-3.79%	117,021	3.1%	3.4%	-5.53%	124,303	3.3%	3.4%	-0.89%	-13.51%	23.77%	19.00%	16.55%
Russell 1000 Value				-4.19%				-4.01%				-5.80%				-0.24%	-13.57%	21.87%	15.93%	13.31%
Russell 1000 Enhanced Index																				
LA Capital	224,345	6.1%	6.8%	-1.35%	227,139	6.1%	6.8%	-8.07%	237,944	6.4%	6.8%	-1.07%	253,828	6.8%	6.8%	0.24%	-10.06%	21.27%	13.46%	N/A
Russell 1000				-3.06%				-6.00%				-3.23%				1.98%	-10.06%	20.43%	12.34%	
S&P 500 Enhanced Index																				
Westridge	252,293	6.9%	6.8%	-3.12%	260,604	7.0%	6.8%	-5.92%	266,676	7.1%	6.8%	-3.04%	281,306	7.5%	6.8%	2.18%	-9.69%	21.12%	11.98%	N/A
S&P 500				-3.25%				-6.00%				-3.33%				2.03%	-10.30%	20.59%	11.68%	
Index																				
State Street	67,902			-2.96%	69,925			-7.02%	72,386			-6.37%	77,081			-0.80%	-16.18%	21.82%	12.34%	11.08%
Total 130/30	67,902	1.8%	2.3%	-2.96%	69,925	1.9%	2.3%	-7.02%	72,386	1.9%	2.3%	-6.37%	77,081	2.1%	2.3%	-0.80%	-16.18%	21.82%	12.34%	11.08%
S&P 500				-3.25%				-6.00%				-3.33%				2.03%	-10.30%	20.59%	11.68%	10.71%
TOTAL LARGE CAP DOMESTIC EQUITY	769,150	20.9%	22.5%	-2.30%	787,236	21.2%	22.5%	-6.84%	813,651	21.7%	22.5%	-2.89%	864,019	23.1%	22.5%	0.62%	-11.06%	21.86%	13.76%	12.22%
S&P 500				-3.25%				-6.00%				-3.33%				2.03%	-10.30%	20.59%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY																				
Manager-of-Managers																				
SEI	129,371	3.5%	3.8%	-3.47%	134,105	3.6%	3.8%	-7.57%	134,084	3.6%	3.8%	-6.35%	143,023	3.8%	3.8%	-3.66%	-19.50%	18.39%	13.70%	14.37%
Russell 2000 + 200bp				-3.54%				-6.65%				-4.09%				-2.60%	-15.89%	18.76%	15.72%	16.16%
Enhanced																				
Research Affiliates	126,817	3.4%	3.8%	-2.54%	129,965	3.5%	3.8%	-5.26%	127,077	3.4%	3.8%	-7.00%	136,366	3.6%	3.8%	N/A	N/A	N/A	N/A	N/A
Russell 2000				-3.71%				-6.82%				-4.58%				-3.09%	-17.03%			
TOTAL SMALL CAP DOMESTIC EQUITY	256,187	7.0%	7.5%	-3.01%	264,071	7.1%	7.5%	-6.44%	261,161	7.0%	7.5%	-6.67%	279,389	7.5%	7.5%	-4.98%	-19.53%	18.39%	13.70%	14.37%
Russell 2000				-3.71%				-6.82%				-4.58%				-3.09%	-17.03%	16.44%	13.45%	13.88%
DOMESTIC FIXED INCOME																				
Core Bond																				
Western Asset	731,938	19.9%	20.2%	-1.32%	744,205	20.0%	20.2%	1.78%	744,746	19.9%	20.2%	1.63%	728,665	19.5%	20.2%	1.87%	3.99%	7.29%	4.44%	5.64%
Lehman Aggregate				0.14%				1.68%				3.00%				2.84%	7.86%	6.12%	3.98%	4.48%
Mortgage Backed																				
Hyperion	194,431	5.3%	5.2%	-6.76%	198,452	5.3%	5.2%	0.58%	199,213	5.3%	5.2%	-1.00%	198,326	5.3%	5.2%	-1.78%	-8.81%	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Portion)				0.51%				2.04%				3.15%				3.88%	9.90%			
Core Plus/Enhanced																				
Clifton Group	224,288	6.1%	5.2%	1.23%	218,518	5.9%	5.2%	2.46%	217,107	5.8%	5.2%	3.99%	205,732	5.5%	5.2%	4.41%	12.62%	5.52%	N/A	N/A
Prudential	207,493	5.6%	5.2%	-0.25%	206,537	5.6%	5.2%	0.98%	208,162	5.6%	5.2%	2.45%	200,267	5.4%	5.2%	1.95%	5.20%	N/A	N/A	N/A
Total Core Plus/Enhanced	431,781	11.7%	10.4%	0.51%	425,055	11.4%	10.4%	1.73%	425,269	11.4%	10.4%	3.23%	405,999	10.9%	10.4%	3.18%	8.92%	5.95%	N/A	N/A
Lehman Aggregate				0.14%				1.68%				3.00%				2.84%	7.86%	6.12%		
Index																				
Bank of ND	371,977	10.1%	9.1%	0.84%	373,231	10.1%	9.1%	1.99%	372,558	9.9%	9.1%	3.04%	362,719	9.7%	9.1%	3.09%	9.27%	5.45%	2.92%	4.32%
Lehman Gov/Credit (1)				0.63%				1.90%				3.10%				3.01%	8.90%	6.00%	3.04%	4.35%
BBB Average Quality																				
Wells Capital (formerly Strong)	735,786	20.0%	20.2%	0.07%	732,550	19.7%	20.2%	1.07%	738,321	19.7%	20.2%	1.98%	718,998	19.2%	20.2%	1.48%	4.68%	7.93%	4.86%	6.59%
Lehman US Credit BAA				-0.33%				0.38%				1.90%				1.67%	3.65%	7.54%	4.47%	6.59%
TOTAL DOMESTIC FIXED INCOME	2,465,913	67.0%	65.0%	-0.70%	2,473,493	66.6%	65.0%	1.50%	2,480,107	66.2%	65.0%	2.00%	2,414,708	64.5%	65.0%	1.84%	4.69%	7.11%	3.89%	5.04%
Lehman Aggregate (2)				0.14%				1.68%				3.00%				2.84%	7.86%	6.12%	4.13%	4.87%
CASH EQUIVALENTS																				
Bank of ND	188,079	5.1%	5.0%	0.23%	187,719	5.1%	5.0%	0.29%	190,628	5.1%	5.0%	0.96%	183,769	4.9%	5.0%	1.24%	2.74%	5.36%	4.10%	3.00%
90 Day T-Bill				0.15%				0.50%				1.05%				1.34%	3.07%	5.21%	3.78%	2.76%
TOTAL RISK MANAGEMENT FUND	3,679,329	100.0%	100.0%	-1.16%	3,712,519	100.0%	100.0%	-0.93%	3,745,547	100.0%	100.0%	0.22%	3,741,884	100.0%	100.0%	1.04%	-0.84%	11.20%	6.46%	7.26%
POLICY TARGET BENCHMARK				-0.91%				-0.74%				0.92%				2.17%	1.40%	10.02%	6.27%	6.80%

NOTE: Monthly returns and market values are preliminary and subject to change.

(1) From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index.

(2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.